

STATE OF CALIFORNIA  
ENVIRONMENTAL PROTECTION AGENCY  
DEPARTMENT OF TOXIC SUBSTANCES CONTROL

In the Matter of:

V-M Enterprises, Inc., a California  
Corporation, doing business as  
Crocker Plating Works  
5908 Crocker Street  
Los Angeles, California 90003

Los Angeles County  
ID No: CAD 021 858 063

Respondent.

Docket No. HWCA 20040653

STIPULATION AND ORDER

Health and Safety Code  
Section 25187

The State Department of Toxic Substances Control (Department) and V-M Enterprises, Inc., a California Corporation doing business as (DBA) Crocker Plating Works (Respondent) enter into this Stipulation and Order (Order) and agree as follows:

1. The parties hereby resolve Respondent's obligations under the Enforcement Order issued by the Department on June 16, 2006 (attached as Exhibit A) within the applicable time period for hearing as previously extended by separate stipulation.
2. The parties wish to avoid the expense of litigation and to ensure prompt compliance.
3. Jurisdiction exists pursuant to Health and Safety Code section 25187.
4. Respondent waives any right to a hearing in this matter.
5. This Order shall constitute full settlement of the violations alleged in the Enforcement Order, but does not limit the Department from taking appropriate enforcement action concerning other violations.

6. Respondent does not admit the allegations made in the Enforcement Order, except as follows: Respondent admits the allegations made in the Enforcement Order for the purposes of any subsequent action brought pursuant to the Hazardous Waste Control Law, Health and Safety Code section 25100 et seq., within 5 years of the date the violations alleged in the Enforcement Order occurred.

7. Respondent hereby represents, certifies and affirms previously provided supporting evidence that: A) Respondent does not have the financial resources to pay the penalty in this matter at this time; B) Respondent is voluntarily selling the plating business; and C) upon that sale, neither Respondent nor any other corporate or other type of entity involving a Memley family member, will have any remaining operating interest in Crocker Plating Works or the hazardous waste operations at 5908 Crocker Street, Los Angeles, California 90003. Relying on Respondent's representations and certifications, and provided that Respondent both does not violate any provision specified in this Order and also fulfills in timely fashion the requirements in the Payments section below, the Department agrees to deem the administrative penalty satisfied as noted in this Order.

#### SCHEDULE FOR COMPLIANCE

7. Respondent shall comply with the following:

7.1. Respondent shall make all payments at the time, and in accord with, any and all other conditions set forth in the Payments section below.

7.2. Submittals: All submittals from a Respondent pursuant to this Order shall be sent to:

Mr. Charles A. McLaughlin, Chief  
State Oversight and Enforcement Branch  
Statewide Compliance Division  
Department of Toxic Substances Control  
8800 Cal Center Drive  
Sacramento, California 95826-3200.

7.3. Communications: All approvals and decisions of the Department made regarding such submittals and notifications shall be communicated to Respondent in writing by a Branch Chief, Department of Toxic Substances Control, or his/her designee. No informal advice, guidance, suggestions, or comments by the Department regarding reports, plans, specifications, schedules, or any other writings by Respondent shall be construed to relieve Respondent of its obligation to obtain such formal approvals as may be required.

7.4. Department Review and Approval: If the Department determines that any report, plan, schedule, or other document submitted for approval pursuant to this Order fails to comply with the Order or fails to protect public health or safety or the environment, the Department may return the document to Respondent with recommended changes and a date by which Respondent must submit to the Department a revised document incorporating the recommended changes.

7.5. Compliance with Applicable Laws: Respondent shall carry out this Order in compliance with all local, State, and federal requirements, including but not limited to requirements to obtain permits and to assure worker safety.

7.6. Endangerment During Implementation: In the event that the Department determines that any circumstances or activity (whether or not pursued in compliance with this Order) are creating an imminent or substantial endangerment to the health or welfare of people on the site or in the surrounding area or to the environment, the Department may order Respondent to stop further implementation for such period of time as needed to abate the endangerment. Any deadline in this Order directly affected by a Stop Work Order under this section shall be extended for the term of such Stop Work Order.

7.7. Liability: Nothing in this Order shall constitute or be construed as a satisfaction or release from liability for any conditions or claims arising as a result of past, current, or future operations of Respondent, except as provided in this

Order. Notwithstanding compliance with the terms of this Order, Respondent may be required to take further actions as are necessary to protect public health or welfare or the environment.

7.8. Site Access: Access to the Site shall be provided at all reasonable times to employees, contractors, and consultants of the Department, and any agency having jurisdiction. Nothing in this Order is intended to limit in any way the right of entry or inspection that any agency may otherwise have by operation of any law. The Department and its authorized representatives may enter and move freely about all property at the Site at all reasonable times for purposes including but not limited to: inspecting records, operating logs, and contracts relating to the Site; reviewing the progress of Respondent in carrying out the terms of this Order; and conducting such tests as the Department may deem necessary. Respondent shall permit such persons to inspect and copy all records, documents, and other writings, including all sampling and monitoring data, in any way pertaining to work undertaken pursuant to this Order.

7.9. Sampling, Data, and Document Availability: Respondent shall permit the Department and its authorized representatives to inspect and copy all sampling, testing, monitoring, and other data generated by Respondent or on Respondent's behalf in any way pertaining to work undertaken pursuant to this Order. Respondent shall allow the Department and its authorized representatives to take duplicates of any samples collected by Respondent pursuant to this Order. Respondent shall maintain a central depository of the data, reports, and other documents prepared pursuant to this Order. All such data, reports, and other documents shall be preserved by Respondent for a minimum of six years after the conclusion of all activities under this Order. If the Department requests that some or all of these documents be preserved for a longer period of time, Respondent shall either comply with that request, deliver the documents to the Department, or

permit the Department to copy the documents prior to destruction. Respondent shall notify the Department in writing at least six months prior to destroying any documents prepared pursuant to this Order.

7.10. Government Liabilities: The State of California shall not be liable for injuries or damages to persons or property resulting from acts or omissions by Respondent or related parties specified in paragraph 4.2, in carrying out activities pursuant to this Order, nor shall the State of California be held as a party to any contract entered into by Respondent or its agents in carrying out activities pursuant to this Order.

7.11. Incorporation of Plans and Reports: All plans, schedules, and reports that require Department approval and are submitted by Respondent pursuant to this Order are incorporated in this Order upon approval by the Department.

7.12. Extension Requests: If Respondent is unable to perform any activity or submit any document within the time required under this Order, the Respondent may, prior to expiration of the time, request an extension of time in writing. The extension request shall include a justification for the delay.

7.13. Extension Approvals: If the Department determines that good cause exists for an extension, it will grant the request and specify in writing a new compliance schedule.

## PAYMENTS

8. After the effective date of this Order, and by July 10, 2007, Respondent shall pay the Department \$10,000 toward the total of \$140,000 assessed in administrative penalties. The balance of the penalties shall be satisfied as noted below.

8.1. Respondent's three installment payments for this \$10,000 shall be due as follows: A) \$4000 due on January 10, 2007; B) \$3000 due on April 10, 2007; and C) \$3000 due on July 10, 2007.

8.2. In addition, Respondent shall also pay the Department any net proceeds, up to \$130,000, from the sale of Crocker Plating Works in the next five years from the effective date of this Order. Respondent has provided the Department with a list of liabilities (Exhibit B, attached and incorporated by this reference). The balances due of the listed liabilities, at the date of the sale, along with reasonable broker's fees, are allowable deductions from the sale's gross proceeds to determine the net proceeds due to the Department (Net Proceeds). Respondent shall provide a signed report of the dollar figures leading to the Net Proceeds figure (Net Proceeds Report), and pay the Net Proceeds to the Department within 10 days of that sale's closing date. Should the Net Proceeds be zero or less than the allowable deductions, Respondent shall still provide the Net Proceeds Report to the Department within 10 days of that sale's closing date. Upon request, the Respondent shall provide all financial supporting documents and sale documents within 14 days to enable Department to audit and verify of the sale transaction(s) and amounts.

8.3. Upon the Department's verification, if any, of the figures and the supporting documentation provided under this paragraph, and upon receipt of Net Proceeds due, if any, with Respondent's signed, truthful Net Proceeds Report, the Respondent's payment obligations shall be deemed to have been satisfied in full.

8.4. Respondent's checks shall be made payable to Department of Toxic Substances Control, annotated with the Docket No. HWCA 20040653, and shall be delivered together with the attached Payment Voucher (Exhibit C) to:

Department of Toxic Substances Control  
Accounting Office  
1001 I Street, 21st floor  
P. O. Box 806  
Sacramento, California 95812-0806

A photocopy of the check shall be sent:

To: Mr. Charles A. McLaughlin, Chief  
State Oversight and Enforcement Branch  
Statewide Compliance Division  
Department of Toxic Substances Control  
8800 Cal Center Drive  
Sacramento, California 95826-3200

To: Ms. Vivian Murai  
Office of Legal Counsel  
Department of Toxic Substances Control  
1001 I Street, 23rd floor  
P. O. Box 806  
Sacramento, California 95812-0806

8.5. If Respondent fails to make payment as provided above, Respondent agrees to pay interest at the rate established pursuant to Health and Safety Code section 25360.1 and to pay all costs incurred by the Department in pursuing collection including attorney's fees.

#### OTHER PROVISIONS

9.1. Additional Enforcement Actions: By agreeing to this Order, the Department does not waive the right to take further enforcement actions, except to the extent provided in this Order.

9.2. Penalties for Noncompliance. Failure to comply with the terms of this Order may subject Respondent to civil penalties and/or damages for any costs incurred by the Department or other government agencies as a result of such failure, as provided by Health and Safety Code, section 25188, and other applicable provisions of law.

9.3. Parties Bound. This Order shall apply to, and be binding upon, Respondent and its officers, directors, agents, employees, contractors, consultants, receivers, trustees, successors, and assignees, including, but not limited to, individuals, partners and subsidiary and parent corporations, and upon the Department and any successor agency that may have responsibility for, and jurisdiction over, the subject matter of this Order.

9.4. Integration. This agreement constitutes the entire agreement between the parties, and may not be amended, supplemented, or modified, except by a writing duly executed by the Department and specifically referencing this document and title and docket number, or as otherwise provided in this Consent Agreement.

#### EFFECTIVE DATE

10. Effective Date: The effective date of this Order is the date it is signed by the Department.

Dated: November 20, 2006

Original signed by Vahan Memley  
Vahan Memley, President  
VM Enterprises, Inc.  
DBA Crocker Plating Works  
Respondent

Dated: November 30, 2006

Original signed by Charles A. McLaughlin  
Charles A. McLaughlin, Chief  
State Oversight and Enforcement Branch  
Department of Toxic Substances Control

#### Exhibits A-C to this Order

Exhibit A: DTSC Enforcement Order

Exhibit B: Respondent's List of Liabilities

Exhibit C: Payment Voucher



# EXHIBIT A

STATE OF CALIFORNIA  
ENVIRONMENTAL PROTECTION AGENCY  
DEPARTMENT OF TOXIC SUBSTANCES CONTROL

In the Matter of:  
V-M Enterprises, Inc.  
dba Crocker Plating Works  
5908 Crocker Street  
Los Angeles, California 90003

ID No: CAD 021 858 063

Respondent

Docket HWCA 20040653  
ENFORCEMENT ORDER

Health and Safety Code  
Section 25187

INTRODUCTION

1.1. Parties. The State Department of Toxic Substances Control (Department) issues this Enforcement Order (Order) to V-M Enterprises, a California Corporation doing business as Crocker Plating Works, (Respondent).

1.2. Site. Respondent generates and treats hazardous waste at the following site: 5908 Crocker Street, Los Angeles, in Los Angeles County, California (Site).

1.3. The Respondent generates metal- and cyanide-bearing waste rinse water from electroplating operations, spent electroplating solutions containing dissolved metals, spent stripping and cleaning bath solutions, metal- and cyanide-bearing residues from electroplating solutions, metal-bearing sludge from waste water treatment, and used oil. Respondent has been authorized by the County of Los Angeles Fire Department (i.e., the local Certified Unified Program Agency) to treat certain hazardous wastes onsite, including spent rinse waters containing nickel, tin, and zinc, and corrosive aqueous wastes under Conditional Authorization.

1.4. Jurisdiction. Section 25187 of the Health and Safety Code authorizes the Department to order action necessary to correct violations and assess a penalty when the Department determines that any person has violated specified provisions of the

Health and Safety Code or any permit, rule, regulation, standard, or requirement issued or adopted pursuant thereto.

1.5. Exhibits. All exhibits attached to this Order are incorporated herein by this reference.

1.6. Applicable Statutes and Regulations. Copies of the statutes and regulations applicable to this Order are attached as Exhibit 1.

### DETERMINATION OF VIOLATIONS

2. The Department conducted an inspection of the Site on October 27, 2004, and a result of that inspection, determined that:

2.1. On or about October 27, 2004, the Respondent violated California Code of Regulations (Cal. Code Regs.), title 22, sections 66262.11 and 66265.13 in that Respondent failed to determine the hazardous characteristics of, and obtain a hazardous waste analysis records for, the hazardous wastes that the facility manages, generates and treats onsite.

2.2. On or about October 27, 2004, the Respondent violated Cal. Code Regs., title 22, section 66265.192 in that Respondent failed to prepare a written and certified tank system assessment for a tank system used to treat hazardous corrosive and metal-bearing wastes from electroplating operations.

2.3. On or about October 27, 2004, the Respondent violated Cal Code Regs., title 22, sections 66265.193 in that Respondent failed to provide secondary containment for certain tanks comprising a tank system that is used to hold and treat corrosive and metal-bearing hazardous wastes.

2.4. On or about October 27, 2004, the Respondent violated Cal Code Regs., title 22, sections 66264.175 in that Respondent failed to provide secondary containment for containers used to treat extremely hazardous metal- and cyanide-bearing wastes.

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## SCHEDULE FOR COMPLIANCE

3.1. Respondent has submitted documentation to the Department showing that it has adequately corrected the violations described in paragraphs 2.1, 2.2, 2.3, and 2.4 of this Order. Therefore, no further actions are required on the part of the Respondent at this time.

3.2. Submittals. All submittals from a Respondent pursuant to this Order shall be sent simultaneously to:

Mr. Charles A. McLaughlin, Chief  
State Oversight and Enforcement Branch  
Statewide Compliance Division  
Department of Toxic Substances Control  
8800 Cal Center Drive  
Sacramento, California 95826-3200

Mr. Jerry Munoz, Manager of Inspections  
County of Los Angeles Fire Department  
Health Hazardous Materials Division  
Central Inspection Station  
5825 Rickenbacker Road  
Commerce, California 90040

3.3. Communications. All approvals and decisions of the Department made regarding submittals and notifications will be communicated to Respondent in writing by the Branch Chief, Department of Toxic Substances Control, or his/her designee. No informal advice, guidance, suggestions, or comments by the Department regarding reports, plans, specifications, schedules, or any other writings by Respondent shall be construed to relieve Respondent of the obligation to obtain such formal approvals as may be required.

3.4. Department Review and Approval. If the Department determines that any report, plan, schedule, or other document submitted for approval pursuant to this Order fails to comply with the Order or fails to protect public health or safety or the environment, the Department may:

a. Modify the document as deemed necessary and approve the document as modified, or

b. Return the document to Respondent with recommended changes and a date by which Respondent must submit to the Department a revised document incorporating the recommended changes.

3.5. Compliance with Applicable Laws: Respondent shall carry out this Order in compliance with all local, State, and federal requirements, including but not limited to requirements to obtain permits and to assure worker safety.

3.6. Endangerment during Implementation: In the event that the Department determines that any circumstances or activity (whether or not pursued in compliance with this Order) are creating an imminent or substantial endangerment to the health or welfare of people on the site or in the surrounding area or to the environment, the Department may order Respondent to stop further implementation of this Order for such period of time as needed to abate the endangerment. Any deadline in this Order directly affected by a Stop Work Order under this section shall be extended for the term of the Stop Work Order.

3.7. Liability: Nothing in this Order shall constitute or be construed as a satisfaction or release from liability for any conditions or claims arising as a result of past, current, or future operations of Respondent. Notwithstanding compliance with the terms of this Order, Respondent may be required to take further actions as are necessary to protect public health or welfare or the environment.

3.8. Site Access: Access to the site shall be provided at all reasonable times to employees, contractors, and consultants of the Department, and any agency having jurisdiction. Nothing in this Order is intended to limit in any way the right of entry or inspection that any agency may otherwise have by operation of any law. The Department and its authorized representatives shall have the authority to enter and move freely about all property at the Site at all reasonable times for purposes including

but not limited to: inspecting records, operating logs, and contracts relating to the Site; reviewing the progress of Respondent in carrying out the terms of this Order; and conducting such tests as the Department may deem necessary. Respondent shall permit such persons to inspect and copy all records, documents, and other writings, including all sampling and monitoring data, in any way pertaining to work undertaken pursuant to this Order.

3.9. Data and Document Availability. Respondent shall permit the Department and its authorized representatives to inspect and copy all sampling, testing, monitoring, and other data generated by Respondent or on Respondent's behalf in any way pertaining to work undertaken pursuant to this Order. Respondent shall allow the Department and its authorized representatives to take duplicates of any samples collected by Respondent pursuant to this Order. Respondent shall maintain a central depository of the data, reports, and other documents prepared pursuant to this Order. All such data, reports, and other documents shall be preserved by Respondent for a minimum of six years after the conclusion of all activities under this Order. If the Department requests that some or all of these documents be preserved for a longer period of time, Respondent shall either comply with that request, deliver the documents to the Department, or permit the Department to copy the documents prior to destruction. Respondent shall notify the Department in writing at least six months prior to destroying any documents prepared pursuant to this Order.

3.10. Government Liabilities: The State of California shall not be liable for injuries or damages to persons or property resulting from acts or omissions by Respondent or related parties in carrying out activities pursuant to this Order, nor shall the State of California be held as a party to any contract entered into by Respondent or its agents in carrying out activities pursuant to the Order.

3.11. Incorporation of Plans and Reports. All plans, schedules, and reports that require Department approval and are submitted by Respondent pursuant to this Order are incorporated in this Order upon approval by the Department.

3.12. Extension Request: If Respondent is unable to perform any activity or submit any document within the time required under this Order, the Respondent may, prior to expiration of the time, request an extension of time in writing. The extension request shall include a justification for the delay.

3.13. Extension Approvals: If the Department determines that good cause exists for an extension, it will grant the request and specify in writing a new compliance schedule.

#### OTHER PROVISIONS

4.1. Additional Enforcement Actions: By issuance of this Order, the Department does not waive the right to take further enforcement actions.

4.2. Penalties for Noncompliance: Failure to comply with the terms of this Order may also subject Respondent to costs, penalties, and/or punitive damages for any costs incurred by the Department or other government agencies as a result of such failure, as provided by Health and Safety Code section 25188 and other applicable provisions of law.

4.3. Parties Bound: This Order shall apply to and be binding upon Respondent, and its officers, directors, agents, employees, contractors, consultants, receivers, trustees, successors, and assignees, including but not limited to individuals, partners, and subsidiary and parent corporations.

4.4. Time Periods. "Days" for purposes of this Order means calendar days.

#### PENALTY

5. Based on the foregoing DETERMINATION OF VIOLATIONS, the Department sets the amount of Respondent's penalty at \$140,000. Payment is due within 30 days from the effective date of the Order. Respondent's check shall be made payable to the

Department of Toxic Substances Control, and shall identify the Respondent and Docket Number, as shown in the heading of this case. Respondent shall deliver the penalty payment to:

Department of Toxic Substances Control  
Accounting Office  
1001 I Street, 21st floor  
P. O. Box 806  
Sacramento, California 95812-0806

A photocopy of the check shall be sent to:

Mr. Charles A. McLaughlin, Chief  
State Oversight and Enforcement Branch  
Statewide Compliance Division  
Department of Toxic Substances Control  
8800 Cal Center Drive  
Sacramento, California 95826-3200

RIGHT TO A HEARING

6. Respondent may request a hearing to challenge the Order. Appeal procedures are described in the attached Statement to Respondent.

EFFECTIVE DATE

7. This Order is final and effective twenty (20) days from the date of mailing, which is the date of the cover letter transmitting the Order to Respondent, unless Respondent requests a hearing within the twenty-day period.

Date of Issuance: June 16, 2006

Original signed by Charles A. McLaughlin  
Charles A. McLaughlin, Chief  
State Oversight and Enforcement Branch  
Statewide Compliance Division  
Department of Toxic Substances Control